



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-570-077

Large Diameter Welded Pipe from the People's Republic of China: Final Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (Commerce) determines that imports of large diameter welded pipe from the People's Republic of China (China) are being, or are likely to be, sold in the United States at less than fair value (LTFV).

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Rachel Greenberg at (202) 482-0652 or Ryan Mullen at (202) 482-5260, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

On August 27, 2018, Commerce published in the *Federal Register* the *Preliminary Determination* of sales at LTFV of large diameter welded pipe from China and invited interested parties to comment.¹ We only received comments from the petitioners,² who agreed with our

¹ See *Large Diameter Welded Pipe from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value*, 83 FR 43644 (August 27, 2018) (*Preliminary Determination*) and accompanying Preliminary Decision Memorandum.

² The petitioners are American Cast Iron Pipe Company, Berg Steel Pipe Corp.; Berg Spiral Pipe Corp.; Dura-Bond Industries; Skyline Steel; Stupp Corporation; Greens Bayou Pipe Mill, LP; JSW Steel (USA) Inc.; and Trinity

preliminary determination to apply total adverse facts available (AFA) to the China-wide entity.³

Accordingly, we made no changes to the *Preliminary Determination*.

Period of Investigation

The period of investigation is July 1, 2017 through December 31, 2017.

Scope of the Investigation

The product covered by this investigation is large diameter welded pipe from China. For a full description of the scope of this investigation, *see* the “Scope of the Investigation,” at the Appendix to this notice.

Scope Comments

During the course of this investigation and the concurrent antidumping duty investigations of large diameter welded pipe from Canada, Greece, India, Korea and Turkey, and the concurrent countervailing duty investigations of large diameter welded pipe from China, India, Korea and Turkey, Commerce received scope comments from interested parties. We issued a Preliminary Scope Decision Memorandum⁴ to address these comments. Further, in the *Preliminary Determination*, we set aside a period of time for parties to address scope issues in scope case and rebuttal briefs. No interested parties submitted scope comments in case or rebuttal briefs. Therefore, for this final determination, the scope of this investigation remains unchanged from that published in the *Preliminary Determination*.

Use of Adverse Facts Available

We continue to find the companies which did not respond to our requests for information to be part of the China-wide entity. Further, we found these companies, which comprise part of

Products LLC.

³ See Petitioners’ Letter, “Case Brief,” dated September 26, 2018.

⁴ See Memorandum, “Scope Comments Decision Memorandum for the Preliminary Determinations,” dated June 19, 2018 (Preliminary Scope Decision Memorandum).

the China-wide entity, failed to provide necessary information, withheld requested information, significantly impeded this investigation, and did not cooperate in submitting the requested Q&V information, as detailed in the *Preliminary Determination* and accompanying Preliminary Decision Memorandum.⁵ Accordingly, we have applied facts otherwise available, with an adverse inference, in accordance with sections 776(a)–(b) of the Act.⁶

China-Wide Rate

In selecting the AFA rate for the China-wide entity, Commerce’s practice is to select a rate that is sufficiently adverse to ensure that the uncooperative party does not obtain a more favorable result by failing to cooperate than if it had fully cooperated. Specifically, it is Commerce’s practice to select, as an AFA rate, the higher of: (a) the highest dumping margin alleged in the petition; or, (b) the highest calculated dumping margin of any respondent in the investigation. As AFA, Commerce has assigned to the China-wide entity the rate of 132.63 percent, which is the highest dumping margin alleged in the Petition.⁷

Combination Rates

In the *Initiation Notice*, Commerce stated that it would calculate producer/exporter combination rates for the respondents that are eligible for a separate rate in this investigation.⁸ Because Commerce continues to use facts otherwise available with an adverse inference in determining the rate for the China-wide entity and there were no respondents that demonstrated

⁵ See *Preliminary Determination*, 83 FR at 43644; see also Preliminary Decision Memorandum at 4-5.

⁶ Preliminary Decision Memorandum at 5-6.

⁷ See *Large Diameter Welded Pipe from Canada, Greece, India, the People’s Republic of China, the Republic of Korea, and the Republic of Turkey: Initiation of Less-Than-Fair-Value Investigations*, 83 FR 7154 (February 20, 2018); see also Petitioners’ Letter, “Large Diameter Welded Pipe from Canada, Greece, India, the People’s Republic of China, the Republic of Korea, and the Republic of Turkey: Petition for Imposition of Antidumping and Countervailing Duties,” dated January 17, 2018 (Petition); see also Petitioners’ Letter, “Response to the Department’s January 23, 2018, Supplemental Questions Regarding Volume VIII of the Petition for the Imposition of Antidumping and Countervailing Duties,” dated January 25, 2018, at Exhibit AD-CN-Supp-3.

eligibility for a separate rate in this investigation, Commerce did not calculate producer/exporter combination rates for specific companies.

Final Determination

The final estimated weighted-average dumping margins are as follows:

Exporter or Producer	Estimated Weighted-Average Dumping Margin (percent)
China-wide Entity	132.63 percent

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, for this final determination, we will direct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all entries of large diameter welded pipe from China, as described in the Appendix to this notice, which are entered, or withdrawn from warehouse, for consumption on or after August 27, the date of publication in the *Federal Register* of the affirmative *Preliminary Determination*.

Pursuant to section 735(c)(1)(B)(ii) of the Act and 19 CFR 351.210(d), Commerce will instruct CBP to require a cash deposit for such entries of merchandise equal to the estimated weighted-average dumping margin or the estimated all-others rate, as follows: (1) The rate for the exporters listed in the chart above will be the rate we have determined in this final determination; (2) for all Chinese exporters of subject merchandise which have not received their own rate, the cash-deposit rate will be the China-wide rate; and (3) for all non-Chinese exporters of subject merchandise which have not received their own rate, the cash-deposit rate will be the rate applicable to the Chinese exporter/producer combination that supplied that non-Chinese

⁸ See *Large Diameter Welded Pipe from Canada, Greece, India, the People's Republic of China, the Republic of Korea, and the Republic of Turkey: Initiation of Less-Than-Fair-Value Investigations*, 83 FR 7154 (February 20, 2018) (*Initiation Notice*).

exporter. These suspension-of-liquidation instructions will remain in effect until further notice. Additionally, Commerce is making no adjustments for export subsidies to the antidumping cash deposit rate in this investigation because we have made no findings in the companion countervailing duty investigation that any of the programs are export subsidies.

Disclosure

The estimated weighted-average dumping margin assigned to the China-wide entity in this investigation is based on AFA. As the margin is based on the rate calculated in the Petition, and because we made no changes to this margin since the *Preliminary Determination*, there are no calculations to disclose for this final determination.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the International Trade Commission (ITC) of the final affirmative determination of sales at LTFV. Because Commerce's final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of large diameter welded pipe, no later than 45 days after this final determination. If the ITC determines that such injury does not exist, this proceeding will be terminated, and all cash deposits posted will be refunded. If the ITC determines that such injury does exist, Commerce will issue an antidumping duty order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the "Continuation of Suspension of Liquidation" section.

Notification Regarding Administrative Protective Orders

This notice will serve as a reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of propriety information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act and 19 CFR 351.210(c).

Dated: November 5, 2018

Gary Taverman
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance

Appendix

Scope of the Investigation

The merchandise covered by this investigation is welded carbon and alloy steel pipe (including stainless steel pipe), more than 406.4 mm (16 inches) in nominal outside diameter (large diameter welded pipe), regardless of wall thickness, length, surface finish, grade, end finish, or stenciling. Large diameter welded pipe may be used to transport oil, gas, slurry, steam, or other fluids, liquids, or gases. It may also be used for structural purposes, including, but not limited to, piling. Specifically, not included is large diameter welded pipe produced only to specifications of the American Water Works Association (AWWA) for water and sewage pipe.

Large diameter welded pipe used to transport oil, gas, or natural gas liquids is normally produced to the American Petroleum Institute (API) specification 5L. Large diameter welded pipe may also be produced to American Society for Testing and Materials (ASTM) standards A500, A252, or A53, or other relevant domestic specifications, grades and/or standards. Large diameter welded pipe can be produced to comparable foreign specifications, grades and/or standards or to proprietary specifications, grades and/or standards, or can be non-graded material. All pipe meeting the physical description set forth above is covered by the scope of this investigation, whether or not produced according to a particular standard.

Subject merchandise also includes large diameter welded pipe that has been further processed in a third country, including but not limited to coating, painting, notching, beveling, cutting, punching, welding, or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the in-scope large diameter welded pipe.

The large diameter welded pipe that is subject to this investigation is currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7305.11.1030, 7305.11.1060, 7305.11.5000, 7305.12.1030, 7305.12.1060, 7305.12.5000, 7305.19.1030, 7305.19.1060, 7305.19.5000, 7305.31.4000, 7305.31.6010, 7305.31.6090, 7305.39.1000 and 7305.39.5000. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

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